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CIA/ DER / 5-06348-74

23 July 1974

MEMORANDUM FOR: Mr. Stephen Bosworth

Acting Director, Office of Fuels

and Energy State Department

SUBJECT

:X Statistics on the Integrated

Emergency Program (OILSHARING

- Attached are the tables you requested on:
 - -- Oil sharing under the Integrated Emergency Program (IEP);
 - -- Percentages of normal imports and consumption that the IEP would have allowed in 1973; and
 - -- Days that emergency oil stocks would have lasted during crises in 1973.
- We would be pleased to provide any further analyses you may require.

Attachment:

Distribution: (S-6348)

1 - Addressee (LDX)

1 - D/OER

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(23 July 1974)

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Oil Sharing Under the Integrated Emergency Package (IEP)

Embargo Loss is Compensated by:

Embargo Loss

CASE 1: No member country loses more than 5% of its oil consumption.

CASE 2: At least one member loses more than 5% of its oil consumption, but the members jointly lose less than 7% of their consumption.

CASE 3: The group loses between 7% and 14% of its normal consumption.

CASE 4: The group loses more than 14% of its normal consumption.

Demand Restraints

The IEP requires no member to restrain its oil demand.

Each member absorbs its embargo loss--up to 5% of its its embargo loss up to 5% normal oil consumption -through either demand restraints or stock withdrawals.

Each member restrains its oil demand by 7%.

Each member restrains its oil demand by 10%.

Oil Sharing

The LEP requires no oil sharing.

After each member absorbs of its normal consumption the remaining shortfall shared on the basis of imports. The US in 1974 would absorb 23% of the remaining shortfall. Western Europe would absorb 56%, and Japan 21%.

The shortfall remaining after demand restraints is shared on the basis of imports. The US in 1974 would absorb 23% of the remaining shortfall. Western Europe would absorb 56%, and Japan 21%.

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Percentages of Normal Imports and Consumption 1/ That the IEP Would Have Allowed in 1973

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Embargoes .	United St		Western	Europe	Jap	an .
	Consumption	Imports	Consumption	Imports	Consumption	Imports
100% OPEC	6 é	0	21	19	19	19
100% OPEC minus Iran	71	16	37	35	35	35
100% OAPEC	77	· 32	53	51	. 51	51
50% OPEC	80 .	43	63	62	62	62
100% OAPEC minus Saudi Arabia	84	53	73	72	73 .	73
50% OAPEC	86	59	78	78	78	. 78
251 OAPEC	92	76	90	90	90	90.
100% OAPEC against the US	94	83	98	98	98	98

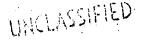
We define allowed consumption as the sum of domestic production and allowed imports.
 An IEP member would draw on his emergency oil stocks to supplement his allowed consumption.

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Oil Consumption the IEP Would Allow, Excluding Stock Withdrawals, During Embargoes in 1973

Pergentage Cut in	Percentage of Normal Consumption Excluding Stock Withdrawals 1/				
Percentage Cut in Normal Group Imports	United States	Western Europe	Japan		
2.5	96	100	100		
5	94	98	98		
10	93	93	93		
. 20	90	84	83		
40	81.	65	65		
80	68	· 27	25		
100	61	7	5		

^{1.} We define allowed consumption as the sum of domestic production and allowed imports. An IEP member would draw on his emergency oil stocks to supplement his allowed consumption.



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Days that US Emergency Oil Stocks Equal to Sixty Days of Normal Imports Would Have Lasted During Embargoes in 1973

Days that US Stocks Would Have Lasted, Had the US Attempted to Maintain Its Oil Consumption at:

Embargoes	90% of Normal		93% of Normal		100% of Normal
100% OPEC	84		75		60
193% OPEC minus Iran	109	· · · · · · · · · · · · · · · · · · ·	94	. '	71
100% OAPEC	156		127		88
50% CPEC	213		162		104
100% OAPEC minus Saudi Arabia	344		229	•	128
Ser CAPEC	502		289		145
25% OAPEC	co	• •	1973	•	254
100% OAPEC against the US			∞	•	. 352

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Days that Western European Emergency Oil Stocks Equal to Sixty Days of Normal Imports Would Have Lasted During Embargoes in 1973

Days that Western European Stocks Would Have Lasted, Had Western Europe Attempted to Maintain Its Oil Consumption at:

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Embargoes	90% of Normal		3% of ormal		100% of Normal
100% OPEC	84		81	•	74
100% OPEC minus Iran	109		104	·	92
100% OAPEC	156	•	144		. 123
50% OPEC	213		192		156
100% OAPEC minus Saudi Arabia	344		292	**************************************	216
50% OAPEC	502		399 ⁻		270
25% OAPEC	· • •		1973		585
100% OAPEC against the US	.		∞		2521

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Days That Japanese Emergency Oil Stocks Equal to Sixty Days of Normal Imports Would Have Lasted During Embargoes in 1973

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Embargoes	90% of Normal	93% of Normal	100% of Normal
100% OPEC	84	81	74
100% OPEC minus Iran	109	104	93
100% OAPEC	156	144	. 124
50% OPEC	213	193	157
100% OAPEC minus Saudi Arabia	344	293	219
50% OAPEC	502	401	273
25% OAPEC	∞	1973	598
100% OAPEC against the US	∞	20	2521

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